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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 001588

STPDTS

STATE FOR EAP/TC, IO/T; GENEVA FOR HOHMAN

E.O. 12958: DECL: 11/10/2018

TAGS: PREL PGOV TW CH

SUBJECT: FOREIGN MINISTER OU ON WHO, INTERNATIONAL SPACE,

U.S. BEEF, AND GPA PROPOSAL

REF: A. TAIPEI 1529 ¶B. TAIPEI 1584

Classified By: AIT Director Stephen M. Young,

Reasons: 1.4(b/d)

11. (C) Summary. Taiwan understands that gaining WHO observer status will require talking directly with Beijing and expects to re-engage the mainland soon, Foreign Minister Ou told the Director during a November 7 meeting. On other "international space" issues, Taiwan has been receiving mixed messages, Ou said, something he attributed to the lack of clear instructions from Beijing to its diplomats. According to Ou, the Ma administration has made the political decision to open the market to U.S. beef and he suggested the 6-12 month timeframe for opening suggested by Premier Liu was overly pessimistic (ref A). (Comment: Ou has not been closely involved on the beef issue.) Ou reiterated that the proposed wording of the footnote in the Government Procurement Agreement (GPA) remains unacceptable to Taiwan. End Summary.

International Space: Road to Geneva Runs through Beijing

- 12. (C) The Director called on FM Francisco Ou (Hong-lien) November 7 to discuss the outcome of the visit to Taiwan of Association for Relations Across the Taiwan Strait (ARATS) Chairman Chen Yunlin (ref B) and to review bilateral issues. Ou noted that Taiwan's desire to achieve observer status at the May 2009 WHA meeting had not come up during Chen's visit, but said Taiwan hopes to pursue the issue with Beijing via formal or informal channels. Taiwan representatives such as KMT Honorary Chairman Lien Chan, Chairman Wu Poh-hsiung and others had, in the past, raised Taiwan's goal with PRC leaders, including President Hu Jintao, Ou said. Up to now, however, Taiwan has not had a reliable channel through which it could more fully discuss the issue, though Ou said he hoped one would be established. Taiwan knows that the key to any solution will be direct talks with Beijing, but it is important for the PRC to understand that Taiwan enjoys the strong support of the international community, particularly the United States, the EU and Japan. The Director assured Ou that the United States continues to support strongly Taiwan's goal and we continue to coordinate our approach closely with the EU and others.
- ¶3. (C) Ou, preparing for a November 11 transit of Los Angeles en route to Panama and Honduras for a chief of mission conference for Taiwan embassies and representative offices in the region, said the evidence of Beijing's willingness to accept President Ma's "diplomatic truce" proposal was mixed. It was clear that the PRC had rebuffed Paraguay's effort to switch recognition earlier this year and it appeared Beijing was also discouraging similar expressions of interest from the Dominican Republic and others. In other respects, though, PRC embassies and consulates did not seem to have

clear instructions on how to handle Taiwan-related issues. There were signs that some PRC diplomatic posts were adopting a somewhat conciliatory tone, while others continued to pursue an inflexible policy of seeking to cut off all ties, formal or informal, between Taiwan and host governments. Ou speculated that PRC missions had not received clear instructions from Beijing on how to respond to the "truce," something that was not surprising, since he himself had been unable to send clear instructions explaining the "truce" policy to Taiwan's overseas posts.

Beef: Political Decision Already Made

14. (C) The Director noted that, while the bilateral security and political relationship had improved significantly since President Ma's election, the economic and trade relationship was lagging, in no small part due to Taiwan's unwillingness to open fully its market to U.S. beef (ref A). The Ma administration had already made the political decision to open the market, Ou said, and would do so far more quickly than the 6-12 months suggested by Premier Liu. (Comment: The fact that Ou has not been closely involved on the beef issue should be taken into account when evaluating his remarks on this issue.)

GPA: Footnote Unnecessary

 \P_5 . (C) The Director raised the Government Procurement Agreement (GPA) and Ou responded that the proposed wording of the footnote remains unacceptable to Taiwan. MOFA North

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American Affairs Director-General Harry Tseng clarified that when Taiwan acceded to the World Trade Organization (WTO), it did so as an economic entity, not as a sovereign state. Therefore, Tseng argued, the footnote is unnecessary and would be regarded as "double jeopardy" by the Taiwan side.

Comment

16. (C) Early indicators are that the Ma administration is using ministries like MOFA more for implementing policy set within the presidential office rather than having them take an active role in policy formulation. That said, bright individuals like Deputy Minister Andrew Hsia appear to have some influence with NSC's Su Chi and other key players. SYOUNG